

NATIONAL SCHOOL TEACHERS' (IRELAND) PENSION
FUND.

R E P O R T

OF

DEPARTMENTAL COMMITTEE

ON

NATIONAL SCHOOL TEACHERS' (IRELAND)
PENSION FUND.

Presented to both Houses of Parliament by Command of Her Majesty.

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FUND.

My Lords read the Report of the Committee appointed by them in May last, with the concurrence of the Lord Lieutenant, to advise as to the best means of ensuring the future solvency of the Irish Teachers' Pension Fund.

They are prepared to accept the conclusion that the excess of the liabilities of the fund over its assets stood on 31st December 1895 at (in round figures) 1,200,000*l.* This large deficiency is attributable to three causes :—

- (i.) Original inadequacy of the endowment.
- (ii.) Inadequacy of the scale of contributions to provide one-fourth of the benefits.
- (iii.) Circumstances which have arisen since the fund was constituted, and which have tended to increase its liabilities.

It is not necessary to discuss the proportions in which these three causes have respectively contributed to the deficiency; but my Lords note that the Committee calculate that the second cause is responsible for over 200,000*l.* of the deficiency, and that a detailed calculation by the superintendent of the Teachers' Pension Office arrives at a figure of 237,000*l.* under this head.

My Lords deem it essential that measures should at once be taken for restoring the fund to solvency, subject to the reservations made by the Committee as to future events which may affect its financial position, but as to which it is not possible to form a reasonable forecast. The Chancellor of the Exchequer states to the Board that, having been in communication with the Chief Secretary on the subject, he has ascertained that his Excellency the Lord Lieutenant agrees to adopt the recommendations of the Committee, and that new rules are already in preparation. This measure is expected to reduce the deficiency on the fund by (roughly) one-third.

He further reminds the Board that a Vote of 96,000*l.* in aid of the fund has been taken on a Supplementary Estimate in the current Session.

He proposes that the remainder of the deficiency should be made good by an annual grant in aid of the fund from moneys voted by Parliament, the amount of such grant to be altered from time to time in accordance with the results of periodical valuations of the fund, and to be for the coming year 18,000*l.*

Sir Michael Hicks Beach points out that this scheme has been, in general terms, laid before the Commissioners of National Education, who have expressed their approval of it. It should therefore be completed and put into operation with all due dispatch.

My Lords agree, and desire that a copy of this Minute, with the Committee's Report appended, should be laid before the House of Commons.

Treasury Chambers, Whitehall,
March 1897.

APPENDIX.

REPORT OF COMMITTEE.

To the Lords Commissioners of Her Majesty's Treasury.

May it please your Lordships,

WE have the honour to submit this as our Report on the Irish National School Teachers' Pension Fund, and for convenience of reference we have divided it into sections as indicated.

I.—Amount of the Deficiency of the Fund.

In order to give anything approaching specific statements as to the financial position of this fund, it is necessary to make some assumption as to the numbers and classification of the teachers who are interested in it, in respect to emoluments; and the only assumption which can be conveniently made is, that the numbers and classification at present existing will continue.

It is probable, however, that the numbers will increase rather than decrease, and that the pecuniary position and classification of the teachers will, on the whole, improve. It is impossible to predict the full extent of the changes that may occur, but, so far as they will occur, they must be dealt with by Government in the light of fuller experience.

On the assumption above made we have, in the first instance, to submit that, under the existing rules and practice of the Pension Fund, a deficiency of assets of about 1,200,000*l.* existed on the 31st December last.

Mr. Denham Robinson, on the 31st December 1890, estimated the minimum amount of the deficiency at 195,965*l.*, assuming interest to be at 2½ and 3 per cent.; Mr. Sutton estimated it at 837,433*l.*, assuming interest to be at 3 per cent.; and Mr. Finlaison estimated it at 924,000*l.*, assuming interest to be at 2½ per cent. Allowing for the difference in the rates of interest, the estimates of Mr. Sutton and Mr. Finlaison were practically the same. On the 31st December 1895, however, Mr. Robinson estimated the deficiency at 1,180,442*l.*, an enormous increase on his estimate of 1890, and as it is difficult to suppose that a deficiency of 195,965*l.* would grow into a deficiency of 1,180,442*l.* after five years, it is only reasonable to assume that Mr. Robinson had, in 1895, abandoned the basis on which he had made his estimate of 1890. Mr. Finlaison made a second and independent estimate of the deficiency of the fund on the 31st December 1895 also, and he fixed the amount as somewhat over 1,200,000*l.* If it is admitted that a deficiency of about 900,000*l.*, as estimated by Messrs. Sutton and Finlaison, existed on the 31st December 1890, after 11 years' operation of the fund, it may be concluded that, with the same deteriorating causes at work, the deficiency would have reached 1,800,000*l.* after five additional years.

We have thus four independent calculations, those of Messrs. Sutton and Finlaison in 1890 and those of Messrs. Robinson and Finlaison in 1895, which indicate that the deficiency of the fund on the 31st December 1895 was 1,200,000*l.* We therefore think the evidence points with substantial unanimity to this figure as representing the correct amount of the deficiency so far as it can be stated even in round numbers, a reservation needed in view of the complexity of the scheme as it at present stands.

II.—Causes of the Deficiency.

It was the intention of the Act of 1878, not indeed stated expressly therein, but laid down by its author (the then Chief Secretary), that the contribution of the teachers should provide one-quarter of the benefits promised to them under the Schedule.

This was modified, however, as regards teachers in the service at the commencement of the operation of the Act, as they were allowed to join the pension scheme on payment of premiums not calculated at the rates which were supposed to provide one-quarter of their benefits at their then ages, but at rates which would have sufficed for that purpose if they had been paid from the commencement of the teachers' services in their respective classes. Part of the endowment of the fund was allocated to make up this deficiency in the contributions of such teachers by those on whose calculations the Schedule of the Act was based.

It appears, however, that this intention of Parliament was lost sight of, and no separate account was kept of the accumulation of the teachers' contributions, *plus* the accumulation of the part of the endowment so assigned, for comparison with the actual payments or liabilities to the teachers in respect of one-quarter of their benefits under the Act.

In the absence of any such separate account, Mr. Finlaison has made out a provisional statement of what may be called the teachers' branch of the fund, from which it would appear that up to the 31st December 1895 the teachers' contributions, together with the assigned portion of the endowment, had been insufficient by at least 900,000*l.* to provide the one-fourth part of the promised benefits.

To

See Tables in
Appendix A.

Hazard, CXXIX.
page 994.

To this extent, therefore, existing and retired teachers have benefited unduly at the expense of a fund which was intended to be a permanent provision for all teachers and for all time.

This large draft on the capital of the fund is due to the fact that the rates of contributions were altogether insufficient to provide the sums which it is to be presumed they were intended to produce.

We must add that the portion of the Endowment which was intended to provide three-fourths of the benefits has proved, even apart from the insufficiency of the teachers' contributions, quite inadequate for that purpose.

III.—Recommendations.

1. We strongly recommend that the fund should at once be separated into two parts, the one representing the teachers' share, and the other representing the Endowment intended to provide three-fourths of the benefits. It is most important that the working of these two separate branches should be closely watched, and indeed it is only just to the teachers that this should be done, in order that they might be assured that the amounts they contribute are returned to them in accordance with the scheme.

2. We advise that the insufficiency of the teachers' contributions should at once be corrected, and that new tables should be prepared adequate to provide one-quarter of whatever benefits might be in future promised; the calculations to be made on the basis of $2\frac{1}{2}$ per cent. interest and (as in the case of Government annuities) on the ordinary life tables.

3. We have carefully considered the way in which the case of teachers now in the service should be dealt with. In view of all the circumstances we think it only reasonable that they should be required to contribute in future at the rates at which they should have contributed according to the new tables, on the basis of their actual careers. By this means, while the contributions of the teachers would be in the future at the rate at which they ought to be subscribing, no charge would be made to them in respect of the insufficiency of their contributions in the past; and they will thus have reaped a material benefit from the operation of the rates hitherto in force. For a further concession to existing teachers see the fourth paragraph of our "General Remarks" below.

We subjoin some specimen cases showing how the contributions as recommended by us would compare with those at present in force to secure corresponding benefits. It will be observed that the increase in the amounts of premiums is relatively considerable; but the contribution itself still remains small in proportion to the emoluments of the contributors. It must also be remembered that these emoluments have greatly increased since 1879, the year when the Pension Scheme was first introduced.

See Tables in
Appendix B.

See Tables in
Appendix C.

4. As regards the benefits to be derived from the teachers' own contributions, we think that they should include provision for the return to every contributor leaving the service without pension, or to his representative when he dies in the service, of a sum equivalent to his own contribution. In cases of voluntary retirement, however, as at present, no interest should be allowed. As a modification of the existing arrangement we think it necessary that interest at $2\frac{1}{2}$ per cent. should be substituted for interest at 3 per cent.

5. As regards the period for which contributions should be levied, we think that it should begin at the teacher's first entry into his class. Assistant teachers should, as at present, be allowed to qualify for third class pensions only.

The contributions should continue until the teacher retires unless he be retained beyond the age at which full pension can be claimed in the particular case.

6. Another change affecting the present as well as the future teachers which we think should be made is the complete abolition of the present limitations of numbers in the pension classes. These limitations were intended to secure a diminution of the liabilities of the fund, but they clearly do not do so in their present shape, because in most cases their effect is no more than to postpone the period at which the teacher qualifies for a higher class pension without ultimately preventing him from so qualifying. Moreover it would seem fairer to ask the teacher to pay the increased premium of his actual class from the date of his entering it, because the amount of such premium would then be less than at a later period in life, and the increase of premium would synchronise with an increase of his salary.

7. We recommend that "1st of 1st Class" Pensions be abolished. These amount to 88*l.* for men and 63*l.* for women, of which 66*l.* and 47*l.* 5*s.*, respectively, are contributed from the Endowment. Our reason for recommending this particular mode of economy is that it appears to us that the public purposes which this pension scheme was intended to promote depend far more on the provision of a minimum pension than on that of amounts materially in excess of such minimum.

We propose, therefore, that the present "2nd of 1st Class" Pensions, of 60*l.* for men and 47*l.* for women, be the highest pensions allowed to be qualified for in future, and that the highest premiums payable be calculated accordingly.

8. We recommend that Supplementary Pensions to Model School Teachers (added to the original scheme in 1880), be abolished, except so far as they are already paid for by existing teachers.

9. We recommend that the tables applicable to voluntary retirement of men between 55 and 65 and of women between 50 and 60 should be re-calculated so as to harmonise with the pensions and contributions provided in cases of voluntary retirement.

10. The Schedule to the Act provides for the grant of gratuities, or alternatively of pensions, on the production of satisfactory evidence of permanent disability in cases of retirement of men below the age of 55 and of women below the age of 50. Gratuities have almost always been awarded in these cases. Such gratuities are open to the objection that they form a temptation to retirement on insufficient grounds of ill-health, while on the other hand they may induce teachers to stay at work after they have ceased to be efficient, in fact almost till the moment of death, because the gratuities in such cases may be regarded as a sort of life insurance. We therefore think that the system should be considerably modified, and we suggest in such cases:—

(a.) That the accumulated premiums of the teachers should be repaid with interest in a single sum; and

(b.) That pensions equivalent in value to a gratuity of three times that sum should be awarded.

Such pensions might be commuted after they had been received for three years, if sufficient evidence of continued disability could then be produced. In any event the reduced pension would probably materially aid in the payment of any life insurance premium which the teacher might have contracted to pay.

We also think that, in order to avoid certain risks of abuse, the lowest age at which any such gratuities and pensions should be allowed should be raised from 30 to 35 years.

11. No teacher promoted at an age exceeding 60 years for a man and 55 for a woman should be allowed, in consequence of such promotion, to contribute for a higher scale of pension; and no pension of any class should be paid unless the teacher had paid the corresponding premiums for one whole year.

12. The rules should be revised throughout and be re-drafted by an expert.

IV.—General Remarks.

In dealing with the situation which we have found to exist in regard to the Pension Fund we have felt ourselves bound in a general way by the principles on which the Act of 1879 and its Schedule were based, but we have not felt ourselves precluded from considering any proposed modifications which did not seriously conflict with these principles. We have also thought it specially desirable to aim at the simplification of the rules, which, as they stand, are extremely complicated.

In connection with our investigations we considered and discarded various suggestions for rendering the fund solvent.

One was to limit the number of pensions. This certainly would diminish the liabilities of the fund, but it is open to the objection that, even with the provision for the return of premiums overpaid in the event of a corresponding pension not being available, it introduces the very undesirable element of uncertainty into the prospects of the teacher for his old age.

Another suggestion was that, while for the lowest class of pensions the teacher should contribute one-fourth of the premium, for any additional amount of pension he should contribute more than one-fourth. This again would diminish the liabilities both directly and indirectly, but the proposal is open to criticism as departing from the original intention that the portion of the benefits purchased by the contribution should be one-fourth in all cases.

A change was made in 1885 in the regulations of the Schedule to the Act, to provide that contributions might cease at the age of 61 years in the case of men and 58 years in the case of women, provided they had 40 years' service as national teachers. Such teachers could then retire on full pension. We find that this change increased the complications and expense of the scheme even to a greater extent than would appear from the Tables published in the rules now current, and though some arguments may be adduced in favour of the continuance of this system, we feel that the position of the fund does not justify it. Those, however, already contributing on this basis may, we think, be allowed to continue to do so on paying proper contributions, which, of course, will be at a considerably higher rate than for retirement at 65 years. We do not, however, think it necessary to continue the present option of voluntary retirement at earlier ages than 55 for men and 50 for women. Retirement at the latter ages should be allowed only on the basis of the Tables deduced from those for retirement at 65 and 60.

It is extremely difficult to form an estimate of the financial effect of the changes which we have recommended, owing to the impossibility of predicting how far the existing body of teachers may fall in with the new system.

On

On present information we should conjecture that by these means something between a quarter and a half of the deficiency would be extinguished; but we recommend that the proposals be adopted, and that a new valuation of the fund be made when the new rules have been brought into force, and after a limited period has been allowed to the teachers to determine their future position. Such a valuation would enable the Government to deal with the question upon a less conjectural basis than is now possible.

We understand that the Government is prepared to grant an additional endowment of 10,000*l.* a year to the fund, and this would increase the assets by about 350,000*l.*; but we do not think that it would be judicious to attempt to deal finally with the financial position of the fund until such new valuation as we recommend above has been made.

We have, &c.
(signed) *C. T. Redington,*
Alex. T. Finlayson,
Stephen E. Spring Rice.

31 December 1896.

APPENDIX A.

CONDITION of the FUND on 31st December 1895 (on the Basis of Existing Rules and Practice).

	Robinson (at 7½ per cent.)	Finlayson (at 7½ per cent.)
LIABILITIES:		
In respect of pensions payable at date - - - - -	£. 338,392	£. 350,000
In respect of pensions and gratuities to teachers in the service at date (<i>less</i> value of estimated contributions).	1,698,324	1,759,090
In respect of pensions and gratuities to teachers entering the service in future, <i>less</i> value of estimated contributions.	957,600	967,600
ASSETS:		
Total Liabilities - - - - -	2,994,316	3,087,900
Value of securities held for the fund - - - - -	1,814,074	1,814,074
Deficiency of Assets - - - £.	1,180,442	1,243,826

APPENDIX B.

SPECIMEN TABLES of Proposed Rates of Contributions.

Males.

ANNUAL PREMIUMS, payable Quarterly until the Age of 65 Years, to provide One-Fourth of the Annual Pensions undermentioned from the Age of 65 Years.

Age last Birthday.	To provide <i>£</i> 15 <i>l.</i> a year, viz., One-Fourth of <i>£</i> 60 <i>l.</i> a year. (Total Pension, 35 <i>l.</i> a year.)	To provide an additional <i>£</i> 15 <i>l.</i> a year, viz., One-Fourth of <i>£</i> 60 <i>l.</i> a year. (Total Pension, 45 <i>l.</i> a year.)	To provide an additional <i>£</i> 10 <i>l.</i> a year, viz., One-Fourth of <i>£</i> 40 <i>l.</i> a year. (Total Pension, 55 <i>l.</i> a year.)
	£. s. d.	£. s. d.	£. s. d.
21	1 2 -	- 7 -	- 9 -
24	1 4 8	- 8 -	- 10 -
25	1 5 8	- 8 4	- 10 4
28	1 9 -	- 9 4	- 11 8
30	1 11 8	- 10 -	- 12 8
35	1 19 8	- 12 8	- 16 -
40	2 11 -	- 16 -	1 - 8

Females.

ANNUAL PREMIUMS, payable Quarterly until the Age of 60 Years, to provide One-Fourth of the Annual Pensions undermentioned, from the Age of 60 Years.

Age last Birthday.	To provide 6l. 5s. a year, viz., One-Fourth of 25l. a year. (Total Pension, 25l. a year.)	To provide an additional 2l. 5s. a year, viz., One-Fourth of 10l. a year. (Total Pension, 34l. a year.)	To provide an additional 5l. 5s. a year, viz., One-Fourth of 23l. a year. (Total Pension, 43l. a year.)
	£. s. d.	£. s. d.	£. s. d.
21	1 5 -	- 9 -	- 13 -
24	1 6 4	- 10 4	- 15 -
28	1 9 8	- 10 8	- 15 8
28	1 14 -	- 12 4	- 17 8
30	1 17 4	- 12 8	- 19 4
35	2 8 -	- 17 4	1 5 -
40	3 4 4	1 8 4	1 13 8

TABLES in Force in 1896 as adopted 11th December 1885.

Males.

ANNUAL PREMIUMS, payable Quarterly until either the Age of 61, 62, 63, 64, or 65 Years, to provide One-Fourth of the Annual Pensions undermentioned from the Age of either 61, 62, 63, 64, or 65 Years.

Age last Birthday.	To provide 8l. 15s. a year, viz., one-fourth of 34l. a year. (Total Pension 35l. a year.)	To provide an additional 9l. 15s. a year, viz., one-fourth of 37l. a year. (Total Pension 44l. a year.)	To provide an additional 3l. 15s. a year, viz., one-fourth of 14l. a year. (Total Pension 59l. a year.)
	£. s. d.	£. s. d.	£. s. d.
18	- 9 8	- 8 -	- 4 -
19	- 10 -	- 8 4	- 4 -
20	- 10 4	- 8 4	- 4 4
21	- 11 -	- 8 8	- 4 4
22	- 11 8	- 8 8	- 4 8
23	- 12 4	- 8 -	- 5 -
24	- 12 8	- 8 -	- 5 -
25	- 13 4	- 8 4	- 5 4
28	- 15 8	- 8 -	- 6 4
30	- 17 4	- 8 8	- 7 -
35	1 8 -	- 7 4	- 9 4
40	1 11 8	- 10 -	- 12 8

Females.

ANNUAL PREMIUMS, Payable Quarterly until either the Age of 58, 59, or 60 Years, to Provide One-Fourth of the Annual Pensions undermentioned from the Age of either 58, 59, or 60 Years.

Age last Birthday.	To provide 6 <i>l</i> . 5 <i>s</i> . a year, viz., one-fourth of 25 <i>l</i> . a year. (Total Pension 25 <i>l</i> . a year.)	To provide an additional 2 <i>l</i> . 5 <i>s</i> . a year, viz., one-fourth of 10 <i>l</i> . a year. (Total Pension 30 <i>l</i> . a year.)	To provide an additional 4 <i>l</i> . 5 <i>s</i> . a year, viz., one-fourth of 19 <i>l</i> . a year. (Total Pension 45 <i>l</i> . a year.)
	£. s. d.	£. s. d.	£. s. d.
18	- 12 8	- 4 8	- 6 8
19	- 13 4	- 5 -	- 7 -
20	- 14 -	- 5 -	- 7 4
21	- 14 8	- 5 4	- 7 8
24	- 17 -	- 6 4	- 9 -
28	1 1 -	- 7 8	- 11 -
30	1 3 4	- 8 4	- 12 -
35	1 11 4	- 11 4	- 16 4
40	2 3 4	- 10 8	1 2 8

Examples.

A male teacher entering at 21 years of age promoted to the second-class at 24, and to the first-class at 28 will pay, from the age of 28 to that of 65, a premium of 1*l*. 2*s*. + 8*s*. + 11*s*. 8*d*. = 2*l*. 1*s*. 8*d*. a year to secure a pension of 60*l*. a year at the age of 65, as compared with 1*l*. + 4*s*. + 6*s*. 4*d*. = 1*l*. 1*s*. 4*d*. under the present Tables until the age of 61, to secure a pension of 60*l*. a year at the age of 61. If he were promoted to the second-class at 30, and to the first at 35, he would pay for the same pension 1*l*. 2*s*. + 10*s*. + 16*s*. = 2*l*. 8*s*. as compared with 1*l*. + 5*s*. 8*d*. + 9*s*. 4*d*. = 1*l*. 6*s*. to secure the pension at the age of 61 under the present Tables.

A female teacher entering at 21 years of age, promoted to the second-class at 24, and to the first class at 28 will pay, from the age of 28 to that of 60, a premium of 1*l*. 5*s*. + 10*s*. 4*d*. + 17*s*. 8*d*. = 2*l*. 13*s*. a year to secure a pension of 47*l*. a year at the age of 60, as compared with 1*l*. 8*d*. + 6*s*. 4*d*. + 11*s*. = 1*l*. 12*s*. under the present Tables. If she were promoted to the second-class at 30, and to the first at 35, she would pay for the same pension 1*l*. 5*s*. + 13*s*. 8*d*. + 1*l*. 5*s*. = 2*l*. 3*s*. 8*d*. as compared with 1*l*. 8*d*. + 8*s*. 4*d*. + 16*s*. 4*d*. = 1*l*. 19*s*. 4*d*. under the present Tables.

APPENDIX C.

I. AVERAGE AGES of National Teachers on entering III., II., and I. Classes.

(a) *Male Teachers.*

Class of Teacher.	Average Age on entering Class.	
	During the 15 Years from 1880 to 1894.	During 1895.
	Years.	Years.
III. - - - - -	26'03	21'51
II. - - - - -	25'95	23'96
I. - - - - -	27'98	27'31

(b) *Female Teachers.*

Class of Teacher.	Average Age on entering Class.	
	During the 15 Years from 1880 to 1894.	During 1895.
	Years.	Years.
III. - - - - -	21'85	21'30
II. - - - - -	23'63	23'67
I. - - - - -	27'54	26'28

I.

2. AVERAGE INCOMES of Principal Teachers from all sources.

Teachers,	1881*.	1895†.
<i>Males—</i>	<i>£. s. d.</i>	<i>£. s. d.</i>
All classes - - - -	75 10 8½	96 16 11½
1 } class - - - -	149 17 4	139 6 8
2 }		
I. class - - - -	100 8 6	114 5 11½
II. class - - - -	80 14 10½	85 - 7½
III. class - - - -	61 10 10½	75 18 9½
<i>Females—</i>		
All classes - - - -	84 8 9½	88 1 11½
1 } class - - - -	114 15 10	125 8 2
2 }		
I. class - - - -	84 7 6	97 1 8½
II. class - - - -	67 7 9½	80 - 7
III. class - - - -	59 7 4½	60 15 1

II.

3. AVERAGE INCOMES of Principal Teachers from State Grants in 1881 and 1895, respectively.

Teachers.	1881.‡	1895.§
<i>Males—</i>	<i>£. s. d.</i>	<i>£. s. d.</i>
All classes - - - -	67 12 3½	93 17 10½
1 } class - - - -	100 16 11½	139 13 7½
2 }		
I. class - - - -	76 3 3½	108 18 7½
II. class - - - -	61 13 8½	80 12 7½
III. class - - - -	48 2 7½	78 4 6
<i>Females—</i>		
All classes - - - -	49 5 4	79 10 5
1 } class - - - -	85 - 4½	118 1 6½
2 }		
I. class - - - -	64 - 8	93 16 -
II. class - - - -	51 12 -½	76 14 5
III. class - - - -	40 6 1½	61 11 9½

* Teachers of model schools and of schools paid by capitation, and teachers who moved from school to school within the year or who did not give full service are excluded.

† Teachers of model schools and of schools paid by capitation, teachers who moved from school to school within the year, teachers who did not give full service, or who were promoted within the year, are excluded.

‡ Same classes of teachers excluded as in Table 1.

§ Same - - - - -

4. (a.) AVERAGE INCOMES of Assistant Teachers in Ordinary National Schools from all sources in 1881 and 1895 respectively.

Teachers.	1881.	1895.
	£. s. d.	£. s. d.
Males - - - -	46 4 7½	63 6 8½
Females - - - -	36 18 8½	51 7 6

(b.) AVERAGE INCOMES of Assistant Teachers of Ordinary National Schools from State Grants in 1881 and 1895 respectively.

Teachers.	1881.	1895.
	£. s. d.	£. s. d.
Males - - - -	44 8 11	89 10 8
Females - - - -	35 4 -½	49 - 2½

APPENDIX D.

SPECIMEN TABLE (to serve for teachers appointed at any age under 22 years).

ANNUAL PREMIUMS, payable quarterly until the age of 61 years, to provide one-fourth of the annual pensions undermentioned from the age of 61 years after 40 years' service from the age of 21.

Males.

Age last Birthday.	To provide 86. 15s. a Year, viz., One-Fourth of 345. a Year. (Total Pension, 259 a Year.)	To provide an additional 25 15s. a Year, viz., One-Fourth of 102. a Year (Total Pension, 409 a Year.)	To provide an additional 31 10s. a Year, viz., One-Fourth of 126. a Year. (Total Pension 509. a Year.)
	£. s. d.	£. s. d.	£. s. d.
20	1 8 4	- 9 -	- 11 4
21	1 9 4	- 9 4	- 12 -
24	-	- 10 8	-
28	-	-	- 15 -
30	-	- 13 8	-
35	-	- 17 8	1 2 4
40	-	-	1 9 8

Example.

A teacher entering the service at 21 years of age, promoted to the second class at 24, and to the first class at 28, would pay from the age of 28 to that of 61 a premium of 1*l.* 9*s.* 4*d.* + 10*s.* 8*d.* + 16*s.* = 2*l.* 16*s.* a year to secure a pension of 60*l.* a year at the age of 61.

If he were promoted to the second class at 30, and to the first class at 35, he would pay for the same pension 1*l.* 9*s.* 4*d.* + 13*s.* 8*d.* + 1*l.* 2*s.* 4*d.* = 3*l.* 5*s.* 4*d.* a year from the age of 35 to that of 61.

